

House Bill 1266

By: Representative Hill of the 21<sup>st</sup>

A BILL TO BE ENTITLED  
AN ACT

To amend Code Section 48-8-89 of the Official Code of Georgia Annotated, relating to distribution and use of proceeds of the joint county and municipal sales and use tax, so as to provide for additional distribution requirements regarding certain service districts; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Code Section 48-8-89 of the Official Code of Georgia Annotated, relating to distribution and use of proceeds of the joint county and municipal sales and use tax, is amended by revising subsection (a) as follows:

"(a) The proceeds of the tax collected by the commissioner in each special district under this article shall be disbursed as soon as practicable after collection as follows:

(1) One percent of the amount collected shall be paid into the general fund of the state treasury in order to defray the costs of administration; and

(2)(A) Except for the percentage provided in paragraph (1) of this subsection and except as otherwise provided in subparagraph (B) of this paragraph, the remaining proceeds of the tax shall be distributed to the governing authority of each qualified municipality within the special district and to the governing authority of the county whose geographical boundary is conterminous with that of the special district for the purpose of assisting such political subdivisions in funding all or any portion of those services which are to be provided by such governing authorities pursuant to and in accordance with Article IX, Section II, Paragraph III of the Constitution of this state;  
and

(B) Where a county has created a service district encompassing the entire unincorporated area of such county by ordinance or resolution as authorized by Article IX, Section II Paragraph VI(c) of the Constitution of this state, the governing authority of such county may, in its discretion, allocate proceeds of the tax distributed to such

1 county in accordance with the distribution certificate required by subsection (b) of this  
2 Code section to assist such county in funding all or any portion of the services provided  
3 by or through such county to residents or properties located within such unincorporated  
4 service district. Where proceeds of the tax are allocated to an unincorporated service  
5 district, the county shall annually reduce the millage rate for ad valorem taxation of  
6 tangible property within such unincorporated service district in the same manner  
7 described in subsection (a) of Code Section 48-8-91."

8 **SECTION 2.**

9 This Act shall become effective upon its approval by the Governor or upon its becoming law  
10 without such approval.

11 **SECTION 3.**

12 All laws and parts of laws in conflict with this Act are repealed.